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| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
|-----------------|-------------|----------------------|---------------------|------------------|
|-----------------|-------------|----------------------|---------------------|------------------|

09/617,853

07/17/2000

Thomas C. Naratil

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04/01/2009

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EXAMINER

GREENE, DANIEL LAWSON

ART UNIT

PAPER NUMBER

3694

MAIL DATE

DELIVERY MODE

04/01/2009

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

| | | | |
|------------------------------|--------------------------------------|---|--|
| Office Action Summary | Application No. 09/617,853 | Applicant(s) NARATIL, THOMAS C. | |
| | Examiner DANIEL L. GREENE | Art Unit 3694 | |

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 03 June 2008.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 18-41 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 18-41 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>9/26/08, 10/20/08, 12/22/08</u> . | 6) <input type="checkbox"/> Other: _____ |

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DETAILED ACTION

1. The Examiner of record has changed. Please address all future correspondence to Examiner Greene.
2. Claims 18-41 are pending. Applicant's responses received 2/21/2008, 6/3/2008, 9/26/2008, etc. have been considered and entered. Accordingly, an action on the merits of claims 18-41 follows.

Information Disclosure Statement

3. The IDS's received 9/26/2008, 10/20/2008 and 12/22/2008 have been considered and are attached to the instant Office action.

Previously indicated Allowable Subject Matter

4. Upon further consideration, the previously indicated allowability of the claims is withdrawn.

Response to Arguments

5. Applicant's arguments filed 2/21/2008, 6/3/2008, 9/26/2008 have been fully considered but they are not persuasive.

Applicant argues :

"Madoff et al. discuss a system for auctioning financial products that enables buyers/traders to place orders to buy and sell financial products and to respond to other buy and sell orders. Referring to FIG. 2, Madoff et al. mention that responses can be entered into the system by a buyer/trader in the form of a relative price, for example, a National Best Bid and Offer (NBBO) plus a price improvement value. (.See Madoff et al.: FIG. 2; col. 5, line 26 to col. 6, line 27). In other words, the buyer/trader must

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manually enter the price improvement value into the system. Madoff et al. do not teach or suggest a system and method, as recited in claims 18 and 32, for automatically determining and applying a price improvement among trades that are identified as offsetting trades, i.e., trades that are made within a pre-defined time period for the same financial instrument.”

Response:

Per applicant’s own arguments, Madoff clearly sets forth manually entering the price improvement value into the system. Resort may be had to case law to show that there is no novelty in merely automated a process that was previously done by hand, especially when the end result remains the same, i.e. the price is entered.

See In re Venner, 120 USPQ 192 (CCPA 1958), In re Smith, 73 USPQ

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“If a new combination of old elements is to be patentable, the elements must cooperate in such manner as to produce a new, unobvious, and unexpected result. It must amount to an invention”,

In re Rundell, 9 USPQ 220

“It is not ‘invention’ to broadly provide a mechanical or automatic means to replace manual activity which has accomplished the same result”,

and In re Wolfe, 116 USPQ 443, 444 (CCPA 1961))

“It would seem scarcely necessary to point out that merely making a two-piece handle in one piece is not patentable invention because it is an obvious thing to do if deemed desirable”

Accordingly the rejection from section 6 of the previous Office action mailed 8/21/2007 is sustained as set forth below.

Claim Rejections - 35 USC § 103

6. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

7. **Claims 18-41 are rejected under 35 U.S.C. 103(a) as being unpatentable over "Telerate adds GovPX US Treasury Prices and Information" (Telerate) in view of US 200/0044767 to Madoff et al. (Madoff) for the reasons set forth in section 6 of the previous office action mailed 8/21/2007.**

See the discussion of this topic in section 5 above.

8. **Claims 18- 41 are rejected under 35 U.S.C. 103(a) as being unpatentable over US 2001/0049651 A1 to Selleck, US Patent 6,243,691 B1 to Fisher et al. and US 2001/0042033 A1 to Sposito.**

Selleck discloses a trading system and method for use on a global communications network such as the Internet and accessible by anyone with Internet access and an account. More particularly, this invention relates to a system and method for using new trading instruments, namely, a system and method for trading new specialized contracts called eContracts, dContracts and oContracts on an open virtual exchange accessible via the Internet. In one embodiment, the present invention discloses a method of trading asset-based instruments over the Internet, comprising the establishing of a plurality of instruments, each comprising a transferable contract to buy or sell the price of a standardized but no deliverable quantity of a commodity, security, service or

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other asset; the establishing of an Internet Web site operated by a data processing and page serving system to operate as a virtual marketplace for the trading of the instruments; the receiving of bids at the Web site sent via the Internet from traders wishing to buy at least one of the instruments at a bid price, and offers at the Web site sent via the Internet from other traders wishing to sell at least one of the instruments at an offer price; and *automatically or by private negotiation facilitating, calculating, executing, settling and recording at said Web site a transaction for the purchase and sale of at least one of said instruments when said bid price equals said offer price*(Abstract, para 0028 through 0046, *emphasis added*).

Selleck fails to teach automatic price improvement. The examiner reads price improvement to mean price increase or price decrease from current spot price.

However, Fisher et al. does teach if a certain sales volume is exceeded in a specified period of time, the electronic auction system automatically increases the price by a set amount or a set percentage and updates the merchandise page accordingly. These automatic price changes allow the system to respond to market conditions while keeping the prices of the merchandise as high as possible to the seller's benefit(col. 11, lines 10-40, col. 12, lines 1-20).

Therefore, it would have been obvious to one of ordinary skill in the art the time the Applicant's invention was made to modify the teachings of Selleck to include the step of Fisher et al. The motivation to combine these references is to facilitate automated price adjustment or improvement in the automated matching system.

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Selleck and Fisher et al. fail to teach a specific mathematical technique for the price change.

However, Sposito does teach computer readable medium containing instructions for controlling a computer system to perform a method for monitoring and modifying securities having an associated purchase price and an associated last sale price, the method including the steps of setting variable points, setting a time interval updating the associated last sale price after the time interval, adding the variable points to the associated purchase price, the addition rendering a result, subtracting the result from the associated last sale price, the subtraction rendering an adjustment factor, and creating a sell/stop price if the adjustment factor is greater than zero(entire document esp. para 0023).

Therefore, it would have been obvious to one of ordinary skill in the art the time the Applicant's invention was made to modify the teachings of Selleck and Fisher et al. to include the step of Sposito. The motivation to combine these references was to facilitate price improvement.

Conclusion

9. Applicant's submission of an information disclosure statement under 37 CFR 1.97(c) with the fee set forth in 37 CFR 1.17(p) on 12/22/2008 prompted the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 609.04(b). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

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10. A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

11. Any inquiry concerning this communication or earlier communications from the examiner should be directed to DANIEL L. GREENE whose telephone number is (571)272-6876. The examiner can normally be reached on Mon-Thur.

12. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P. Trammell can be reached on (571) 272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

13. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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/D. L. G./

Examiner, Art Unit 3694

2009-03-30

/James P Trammell/

Supervisory Patent Examiner, Art Unit 3694